1 GIBSON, DUNN & CRUTCHER LLP JEFFREY D. DINTZER (SBN 139056) MATTHEW C. WICKERSHAM (SBN 241733) 2 NATHANIEL P. JOHNSON (SBN 294353) 3 333 South Grand Avenue, 47th Floor Los Angeles, CA 90071-3197 Telephone: (213) 229-7000 4 Facsimile: (213) 229-7520 5 Attorneys for Respondents-in-Intervention, AERA ENERGY LLC, BERRY PETROLEUM 6 COMPANY LLC, CALIFORNIA RESOURCES 7 CORPORATION, CHEVRON U.S.A. INC., FREEPORT-MCMORAN OIL & GAS LLC, LINN 8 ENERGY HOLDINGS LLC, and MACPHERSON OIL COMPANY 9 SUPERIOR COURT OF THE STATE OF CALIFORNIA 10 FOR THE COUNTY OF ALAMEDA 11 CENTER FOR BIOLOGICAL Case No. RG15769302 12 DIVERSITY, and SIERRA CLUB, nonprofit corporations, Assigned for all purposes to the Hon. George C. 13 Hernandez, Dept. 17 Petitioners. 14 EVIDENTIARY OBJECTIONS AND MOTION TO STRIKE DECLARATIONS VS. 15 OF TIMOTHY R. GINN AND MATT CALIFORNIA DEPARTMENT OF HAGEMANN IN SUPPORT OF MOTION 16 CONSERVATION, DIVISION OF OIL, FOR PRELIMINARY INJUNCTION BY **AERA ENERGY LLC, BERRY** GAS, AND GEOTHERMAL 17 RESOURCES; and DOES 1 through 20, PETROLEUM COMPANY LLC, **CALIFORNIA RESOURCES** inclusive, 18 CORPORATION, CHEVRON U.S.A. INC., Respondents. FREEPORT-MCMORAN OIL & GAS LLC, 19 LINN ENERGY HOLDINGS LLC, AND MACPHERSON OIL COMPANY 20 AERA ENERGY LLC, BERRY 21 PETROLEUM COMPANY LLC. Date: July 2, 2015 Time: 2:30 p.m. CALIFORNIA RESOURCES 22 Dept.: 17 CORPORATION, CHEVRON U.S.A. INC., FREEPORT-MCMORAN OIL & 23 Action Filed: May 7, 2015 GAS LLC, LINN ENERGY HOLDINGS Trial Date: None set LLC, and MACPHERSON OIL 24 COMPANY, 25 Respondents-in-Intervention. 26 27 28

Energy Companies' Evidentiary Objections to Declaration in Support of Motion for Preliminary Injunction

Gibson, Dunn & Crutcher LLP

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## I. INTRODUCTION

Pursuant to Evidence Code section 353, Respondents-in-Intervention Aera Energy LLC, Berry Petroleum Company LLC, California Resources Corporation, Chevron U.S.A. Inc., Freeport McMoRan Oil & Gas LLC, LINN Energy Holdings LLC, and Macpherson Oil Company (collectively, "Energy Companies") hereby object to and move to strike the Declaration of Timothy R. Ginn ("Ginn Declaration") and the Declaration of Matt Hagemann ("Hagemann Declaration") in Support of Plaintiffs' Reply Memorandum to Defendants/Respondents Intervenors' Opposition to Preliminary Injunction, filed on June 25, 2015.

Neither declaration was filed in a timely manner. Rather than file the declarations with the Motion for Preliminary Injunction on May 14, 2015, Plaintiffs waited until their Reply brief to file the Ginn Declaration and the Hagemann Declaration. The Energy Companies have no opportunity to respond to these declarations, and the declarations should both be deemed inadmissible. (See *Jay v. Mahaffey* (2013) 218 Cal.App.4th 1522, 1537.)

Even if the declarations were timely, both declarations are inadmissible because they are simply not relevant to the central issues of this case. (Evid. Code § 350.) The Motion for Preliminary Injunction concerns a specific issue: the alleged contamination of California's drinking water supplies caused by DOGGR's administration of the UIC Program. A generic discussion of California's reliance on groundwater, as described in the Ginn Declaration, speculation concerning possible impacts from the possible reinjection of certain chemicals, as discussed by the Hagemann Declaration, do nothing to shed light on the contested claims underlying this issue. The declarants do not have the requisite personal knowledge of the contamination of California's aquifers, and instead rely on broad, generic statements that intimate danger without proof. (Ev. Code § 702.) Moreover, both declarations substantially rely on extra-record documents that have not been provided to the Energy Companies. The Ginn Declaration and the Hagemann Declaration should both be excluded from consideration of the Motion for Preliminary Injunction.

## II. ARGUMENT

"The general rule of motion practice, which applies here, is that new evidence is not permitted with reply papers." (*Jay v. Mahaffey* (2013) 218 Cal.App.4th 1522, 1537; see also *Alliant Ins. Servs.*,

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Inc. v. Gaddy (2008) 19 Cal. App. 4th 1292, 1308 [applying the rule to preliminary injunction proceedings].) While Plaintiffs are permitted to respond to evidentiary points raised by Defendants and Respondents in their opposition briefs, the challenged declarations go far beyond this. (Id. at 1538 Istating that reply declarations "should not have addressed the substantive issues in the first instance but only filled gaps in the evidence created by the [respondent's] opposition"].)

The Ginn and Hagemann Declarations introduce entirely new evidence that was not included in Plaintiffs' moving papers. Plaintiffs were required to present all evidence addressing substantive issues as part of their moving papers. It would be an abuse of discretion for the Court to allow Plaintiffs to introduce this entirely new evidence as part of their reply, especially given the length of time since Plaintiffs submitted their moving papers and the limited time available before the hearing on Plaintiffs' Motion for Preliminary Injunction. Plaintiffs' Motion for Preliminary Injunction does not even suggest their Motion would rely on future declarations filed by Plaintiffs. (Motion for Preliminary Injunction at p. 2:12-17 ["This Motion is based upon the Notice of Motion and Motion for Preliminary Injunction and supporting Memorandum of Points and Authorities filed May 14, 2015, the Declaration of Tamara T. Azkim in Support of Plaintiffs' Motion for Preliminary Injunction filed May 14, 2015, the Request for Judicial Notice in Support of Plaintiffs' Motion for Preliminary Injunction filed May 14, 2015, the pleadings and records on file in this action, and on such oral argument as may be presented at the time the motion is hear."].) Since Plaintiffs' Motion as stated does not include reliance on these declarations, the declarations cannot be used to support the Motion.

Even if the declarations were timely filed, their content is not relevant to consideration of Plaintiffs' Motion for Preliminary Injunction. The Ginn Declaration and the Hagemann Declaration both provide extremely general and ultimately improper accounts of the alleged harm that underground injection activities could theoretically cause to groundwater supplies. The Ginn Declaration is a collection of disjointed statements concerning the hydrogeology of California and the danger posed to groundwater supplies by the current drought. (Ginn Decl. ¶¶ 3–7.) The Ginn Declaration notes that groundwater can be a valuable resource for agriculture and drinking water supplies during the drought. (Id. at ¶¶ 8–18.) The Hagemann Declaration, on the other hand, merely lists a series of chemicals found in produced water and well stimulation fluids. (Hagemann Decl., ¶¶ 6-21.) The Hagemann Declaration

also includes unfounded speculation that underground injection activities in California could degrade groundwater supplies, and provides various alternative means of water disposal without considering the practical difficulties and potentially exorbitant costs such alternatives would impose on the Energy Companies. (Id. at ¶¶ 22-30.) Neither declaration is relevant to the contested issues in this case. (See Evid. Code § 350.)

The central issue presented by the Motion for Preliminary Injunction is whether DOGGR has permitted contamination of the State's drinking water supplies by injecting into aquifers that Plaintiffs consider "non-exempt." (Motion for Preliminary Injunction at p. 1:2-14.) Yet neither the Ginn Declaration nor the Hagemann Declaration purport to provide any information concerning contamination of the State's drinking water supplies or any contamination of so-called non-exempt aquifers that endangers the public health or safety. The Ginn Declaration is a general discussion of the State's growing reliance on groundwater supplies, while the Hagemann Declaration is a wholly speculative recitation of the possible impacts from the potential reinjection of certain chemicals. Further, neither declaration actually addresses the question of whether DOGGR has permitted underground injections into aquifers that were not properly exempted. Instead, both declarations rely on broad, generic statements about the science of oil production in California to improperly intimate that DOGGR and the Energy Companies are responsible for some unidentified contamination of the State's groundwater supplies. The Hagemann Declaration is particularly speculative on the possible implications of the potential reinjection of certain chemicals. The declarations do not offer anything of probative value for the Court, and only risk confusing the issues to the undue prejudice of the Energy Companies.

Even if the Ginn Declaration and the Hagemann Declaration effectively presented evidence relevant to the issues in this litigation—proven contamination of drinking water supplies caused by Class II underground injections into aquifers lacking exemptions—their probative value is substantially outweighed by the risk of undue prejudice from their admission. (See Evid. Code § 350.) Neither declarant has sufficient personal knowledge to render the declarations admissible. (Ev. Code § 702.) Mr. Ginn is a professor at U.C. Davis. (Ginn Decl., ¶ 2.) Mr. Hagemann is founding partner of an environmental consulting firm. (Hagemann Decl., ¶ 1.) Neither declarant can speak to the legality of

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Injunction. The declarants are not legal experts and they did not contribute to the development or enforcement of the California UIC Program. Further, neither declarant has conducted independent testing of California's underground aquifers to assess whether the alleged contamination even exists. Instead, the declarants rely on third-party statements that are already part of the record or lack substantiation. (See Ginn Decl., ¶ 12; Hagemann Decl., ¶ 5.)

The declarants' lack of personal knowledge is driven home by repeated reference in both declarations to evidence that is not in the record and does not include proper citations. None of the data or evidence introduced by the Ginn Declaration regarding California's hydrogeology has been presented to the Court or the Energy Companies. (Ginn Decl., ¶¶ 3–15.) The Ginn Declaration does not even include full citations so that the Energy Companies can inspect the information. (*Ibid.*) Further, the Hagemann Declaration relies on 28 footnotes to different websites and reports that have not been included in the record. Plaintiffs have not requested this Court admit the data and evidence supporting these declarations into the record, and it has not provided the Energy Companies with a copy of the data or evidence.

Reference to these citations must be struck. And without these citations, the declarations boil down to unsubstantiated assertions describing the interaction of water supplies and oil production in California that are irrelevant to resolution of Plaintiffs' Motion for Preliminary Injunction. (Evid. Code § 350.) The declarations should both be struck as improper.

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## III. CONCLUSION

For the foregoing reasons, the Declaration of Timothy R. Ginn and the Declaration of Matt Hagemann in Support of Plaintiffs' Reply Memorandum to Defendants/Respondents Intervenors' Opposition to Preliminary Injunction should not be admitted in the Court's consideration of Plaintiffs' Motion for Preliminary Injunction.

Respectfully submitted,

GIBSON, DUNN & CRUTCHER, LLP

Attorneys for Proposed Respondents-in-Intervention, AERA ENERGY LLC, BERRY PETROLEUM COMPANY LLC, CALIFORNIA RESOURCES CORPORATION, CHEVRON U.S.A. INC., FREEPORT MCMORAN OIL & GAS LLC, LINN ENERGY HOLDINGS LLC, and MACPHERSON OIL COMPANY

Dated: June 29, 2015

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